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CONTACT:

State and Federal Governments Sign Agreement

Extending Bay-Delta Accord

SACRAMENTO -- State and Federal officials today signed an agreement extending the historic "peace treaty" in California's water disputes for an additional year, reaffirming their dedication to working with the major water interests -- agricultural, urban, and environmental -- to develop a long-term solution to the State's major water problems.

Quotes for Babbitt, Wheeler, Perciasepe, Rooney, (Snow?)

"The extension of the Accord today is critical to keeping the focus on a long-term solution which will meet the needs of all Californians. Only by maintaining the strong commitment to partnership embodied in the Accord can we succeed in reaching a solution that promises mutual benefit to those who have historically battled over water."

"With the 'breathing-space' provided by the Accord, the CALFED Bay-Delta Program has made impressive strides in crafting the comprehensive solution. The additional year will allow sufficient time for CALFED to complete the plan and undergo environmental review without the distraction of waterrelated disputes."

"California's future---both economic and environmental--is inextricably linked to water. Today we take another step together toward a future in which the water needs of wildlife and fisheries, farmers, and cities alike can be met."

The agreement extends the provisions of the Bay-Delta Accord, which was set to expire on December 15, 1997, until the end of 1998. The continuation of the Accord maintains the substantive commitments of the State-Federal partnership towards restoring the Bay-Delta ecosystem and ensuring California's long-term water supply.

The extension of the Accord also allows the parties to the agreement to continue to build on the substantial progress toward developing a long-term plan to improve the State's water supply system and restore the Bay-Delta ecosystem. Since the Accord was signed in 1994, CALFED--a Federal-State

partnership formed to develop the long-term solution—has been developing a plan for the long-term solution in cooperation with environmental, urban, and agricultural interests. Currently, the CALFED Program is narrowing the number of alternative approaches to solving the State's water problems before initiating the formal environmental review process—expected to begin in January 1998. The adoption of a long-term plan is anticipated in late fall 1998.

The Bay-Delta Accord, which was signed on December 15, 1994, set forth principles in the following key areas towards the implementation of a permanent Bay-Delta protection plan:

Water Quality and Operations: The agreement provides interim standards for water quality and operations of State and Federal water projects. Under the agreement, the State Water Resources Control Board is directed to finalize the water quality plan agreed to in the Accord and initiate water rights proceedings to implement the adopted plan.

Endangered Species Act: The agreement specifies that compliance with the Federal Endangered Species Acts will not result in any additional loss of water supply. The Accord does allow actions to benefit fisheries under the Federal ESA that require additional water, provided that the actions result in "no net loss" to State and Federal water projects. The approved water quality plan is also intended to provide sufficient habitat protection for currently listed species and prevent the need for any additional listings in the Bay-Delta Estuary within the term of the agreement.

Environmental Restoration and Rehabilitation (Category III Projects): The State and Federal governments and agricultural, urban, and environmental interests committed to begin restoring the Bay-Delta ecosystem during the three-year term of the Bay-Delta Accord at a funding level of \$60 million per year. The water user community agreed to an initial financial commitment of \$10 million per year in support of this effort.

Other Important Milestones in Implementing the Bay-Delta Accord:

 In November 1996, the voters of the State of California passed Proposition 204, which provides \$60 million for Category III projects. The first awards for ecosystem restoration are expected in mid-November, 1997. The 1998 federal budget is also expected to include a contribution to Category III for the purpose of environmental restoration of the Bay-Delta ecosystem. • The State Water Resources Control Board reaffirmed its commitment to issue a final water rights order implementing the Water Quality Control Plan by the expiration of the agreement in December 1998.

More information on the Bay-Delta can be found on the CALFED Bay Delta Program website at: http://calfed.ca.gov or, for all of California's natural resources, the California Environmental Resources Evaluation System (CERES) at: www.ceres.ca.gov.